

12 July 1954

OGC HAS REVIEWED.

25X1A8a

MEMORANDUM FOR: Chief, [REDACTED]

25X1A2e

SUBJECT : Disposition of Personally Owned Car-- [REDACTED]

1. This is in reply to your memorandum of 8 July 1954 on the above subject.
2. The customs duties and legalization costs for the importation of this agent's car into the host country were paid by the Agency for operational reasons. This was in accordance with paragraph 8.a. of OSS Services [REDACTED]. 25X1A
3. There is no evidence that it was intended to make this an item of additional compensation to the agent. His full compensation is set forth in his contract with the Agency. If he were to sell the car now in the host country and retain the full proceeds he would, in effect, be receiving additional compensation, since the value of the car has been increased by the legalization costs which the Government has borne. In this particular case they amount to considerably more than the value of the car at the time of importation.
- 25X1A2e 4. Consequently, [REDACTED] must pay to the Agency out of the proceeds of the sale the amount of the costs which the Agency has borne. However, it will be acceptable to this office if he first recovers for himself out of the proceeds of sale an amount equal to the current trade-in value of the car in the United States. This amount should be established by the Logistics Office.
- 25X1A2e 5. The question of cost of transportation of the car to the host country was also mentioned by you. I understand that under his contract [REDACTED] was entitled to have this expense borne by the Government. Consequently, he would not have to make any refund for this from proceeds of sale of the car. He must, however, obtain Agency permission to sell the car.

25X1A9a

[REDACTED]
Assistant General Counsel

OGC/RGH:blr

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